

REGIONAL SNAPSHOT: UPPER EAST REGION

As the state’s chief financial officer, I am charged with monitoring the economic health of our state. Therefore, it’s vitally important that my office studies factors related to our regional economies.

The 23 counties comprising the Upper East Region cover the eastern portion of the state bordering Arkansas, Louisiana and Oklahoma.

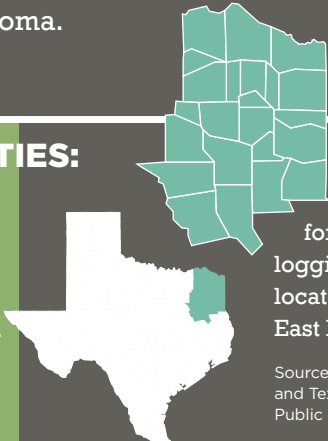
Below, we track regional trends in population growth, personal income, jobs and wages, education and aging workforce — a wildcard issue that, if left unaddressed, is of particular concern to the region.

-GLENN HEGAR

Texas Comptroller of Public Accounts

UPPER EAST REGION COUNTIES:

ANDERSON	HARRISON	RED RIVER
BOWIE	HENDERSON	RUSK
CAMP	HOPKINS	SMITH
CASS	LAMAR	TITUS
CHEROKEE	MARION	UPSHUR
DELTA	MORRIS	VAN ZANDT
FRANKLIN	PANOLA	WOOD
GREGG	RAINS	



A quarter of Texas' forestry and logging jobs are located in the Upper East Region.

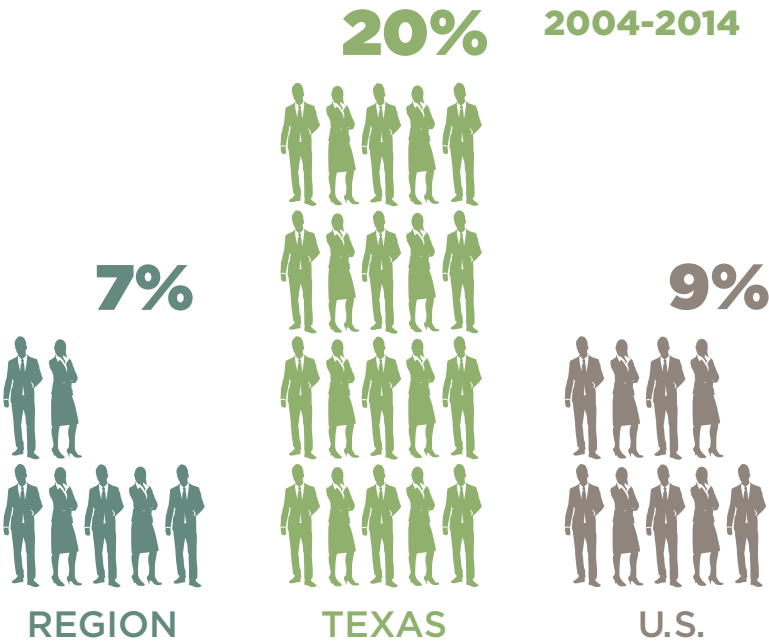
Source: U.S. Census Bureau and Texas Comptroller of Public Accounts

KEY INDUSTRIES 2016:

- FORESTRY AND LOGGING
- WOOD PRODUCT MANUFACTURING
- PAPER MANUFACTURING
- MINING (EXCEPT OIL AND GAS)
- PRIMARY METAL MANUFACTURING
- WAREHOUSING AND STORAGE
- FOOD MANUFACTURING
- NURSING AND RESIDENTIAL CARE FACILITIES
- CROP PRODUCTION

POPULATION GROWTH

UPPER EAST REGION VS. TEXAS AND U.S. 2004-2014



Source: Bureau of Economic Analysis and Texas Comptroller of Public Accounts

EMPLOYMENT IN THE UPPER EAST REGION'S CONSTRUCTION INDUSTRY INCREASED BY NEARLY

50%

FROM 2004 TO 2014. THAT'S 2.5 TIMES TEXAS GROWTH.

U.S. CONSTRUCTION JOBS, MEANWHILE, HAVE DECLINED.

TEXARKANA'S FEDERAL BUILDING IS THE ONLY ONE OF ITS KIND SITUATED IN TWO STATES.

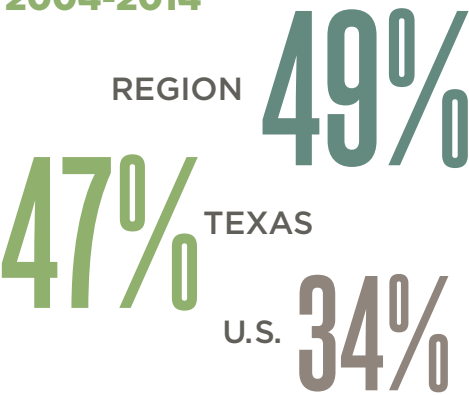


Source: U.S. Census Bureau and Texas Comptroller of Public Accounts

Source: Texas Almanac, Texas State Historical Association

PERSONAL INCOME

PER CAPITA PERSONAL INCOME GROWTH 2004-2014



Source: Bureau of Economic Analysis and Texas Comptroller of Public Accounts

COUNTY	2014 PER CAPITA INCOME	10-YR PER CAPITA INCOME GROWTH
Gregg	\$49,913	62%
Panola	\$44,173	80%
Harrison	\$43,297	63%
Smith	\$43,249	44%
Franklin	\$38,688	28%
Morris	\$37,831	60%
Lamar	\$37,540	47%
Hopkins	\$36,572	47%
Camp	\$35,936	33%
Delta	\$35,889	71%
Bowie	\$35,795	35%
Rusk	\$35,633	57%

Personal income in the Upper East Region rose from \$27.4 billion in 2004 to \$43.6 billion in 2014. It accounted for 3.5 percent of the state's \$1.23 trillion in personal income in 2014

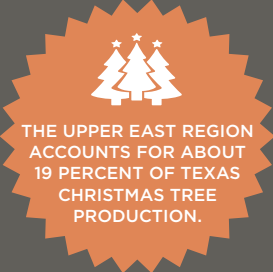
Per capita personal income grew by 49 percent, more than the state's 47 percent average.

COUNTY	2014 PER CAPITA INCOME	10-YR PER CAPITA INCOME GROWTH
Upshur	\$35,427	53%
Red River	\$35,219	60%
Henderson	\$35,086	43%
Marion	\$34,591	67%
Cass	\$33,870	40%
Wood	\$33,703	54%
Van Zandt	\$33,402	36%
Cherokee	\$32,422	40%
Anderson	\$31,815	55%
Rains	\$31,775	42%
Titus	\$31,171	26%

While regional per capita income has grown faster than the state, the level of per capita income in the Upper East Region has remained lower than that of the state. Regional per capita income grew to \$38,703 in 2014, compared to \$45,669 statewide.

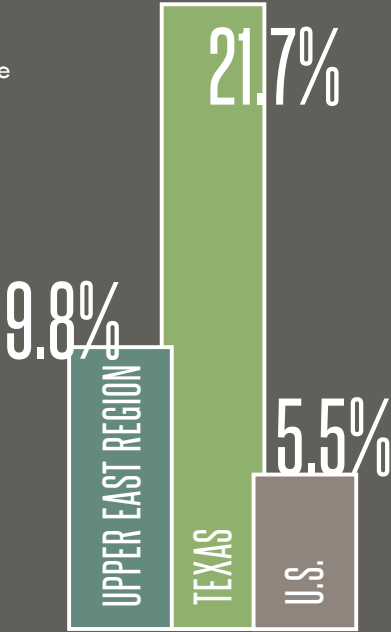
JOBS & WAGES

2014 regional average wages of \$40,343 were lower than the state average of \$52,537. Average wages in the Upper East Region increased 36.5 percent from 2004 to 2014, mirroring Texas growth and exceeding the U.S. pace.



Source: United States Department of Agriculture and Texas Comptroller of Public Accounts

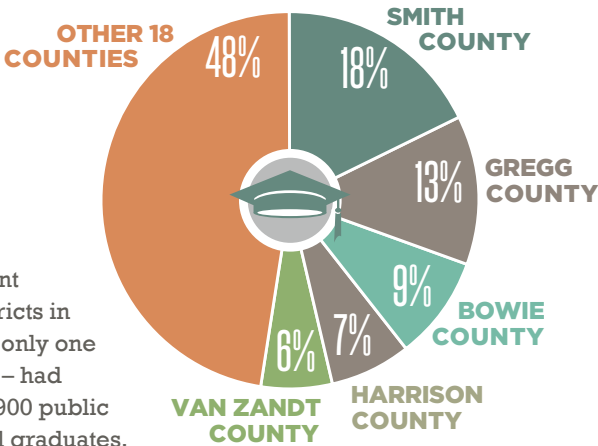
JOB GROWTH 2004-2014



Source: Economic Modeling Specialists Intl.

EDUCATION

UPPER EAST REGION PUBLIC HIGH SCHOOL GRADUATES, 2014



Of 120 independent school districts in the region, only one – Tyler ISD – had more than 900 public high school graduates.

Three districts — Tyler, Longview and Texarkana — accounted for 17 percent of all Upper East public high schools graduates in 2014.

Source: Texas Education Agency and Texas Comptroller of Public Accounts

AGING WORKFORCE

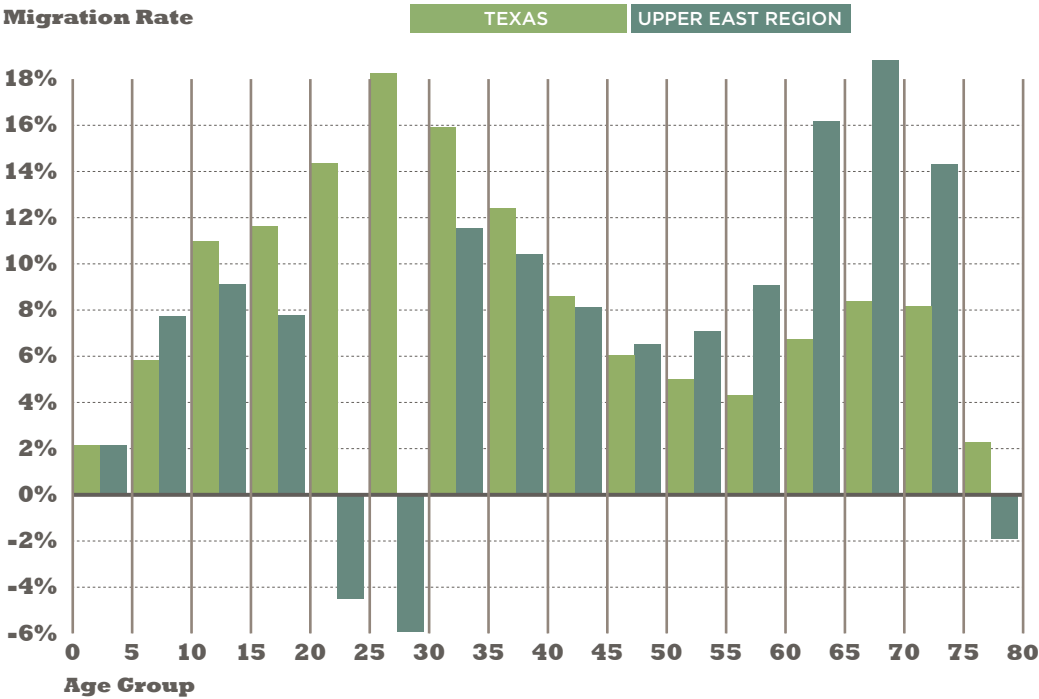
By most metrics, the Upper East Region has one of the state’s oldest populations. The region’s labor force participation ranks among the lowest in the state.

Banking, legal, accounting, medical and other professional services have a high proportion of workers aged 55 and older. Many of these professions require advanced degrees and training, so employers may struggle to replace retirees.

An exodus of retirement-age workers would drive down regional income, cooling demand for goods and services. Lower sales tax revenues translate to scarcer public resources.

Furthermore, age-related tax exemptions cut \$3.7 billion from school districts’ property bases.

NET IN-MIGRATION RATES BY AGE, 2000-2010



Source: Applied Population Laboratory, University of Wisconsin-Madison and Texas Comptroller of Public Accounts

CONCLUSION

Graced with the majesty of the Piney Woods, the Upper East Region is an emerald on the Texas landscape. No wonder it provides a large portion of the state’s jobs in forestry and related manufacturing industries.

Its aging population could limit economic development, however. To improve its prospects, the region would benefit from efforts to attract young workers and ensure a diverse workforce and sustainable economy.

Overall, the region supports a stable workforce and will continue to serve as a key supplier of resources vital to the Texas economy.

Glenn Hegar

Texas Comptroller of Public Accounts

THE UPPER EAST REGION IS ONE OF THE COMPTROLLER’S 12 ECONOMIC REGIONS.

To see a complete list of these regions, plus more in-depth county-by-county data, visit:

TEXASAHEAD.ORG/REGIONALRPTS